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**CENTRAL INTELLIGENCE GROUP
INTELLIGENCE REPORT**

113987 25X1A

COUNTRY: Germany (Russian Zone)

DATE:

INFO. 30 June 1947

SUBJ: Industrial Enterprises in the Russian Zone, Exclusive of SAGs

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SUPPLEMENT

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1. Brandenburg:

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In Brandenburg there are a total of 4,093 factories, employing 123,500 persons. Of these factories, 480 (27,000 employees) are owned by the state government; 1,200 (48,000 employees) are under sequestration; and the remainder are administered according to the plans of the Industrieverwaltung. All of the factories, with the exception of those producing chemicals, have been operating at a profit.

Saxony-Anhalt:

In Saxony-Anhalt the number of factories totals 6,081 (270,000 employees), of which 598 (52,000 employees) are state-owned, 861 still under sequestration, and the remainder directed by the Industrieverwaltung. Fifty of the state-owned plants are not operating at present because of a lack of machinery. Eighteen other factories (2,400 employees) are to be turned over to the state government within a short time, while the status of sixty-one others remains uncertain.

Saxony:

In Saxony the total number reaches 8,231 (256,000 employees); 1,023 factories (86,000 employees) are state-owned, 472 still under sequestration, 118 with uncertain status, and fourteen (17,800 employees) administered by the Russians. Commercial firms number 82,459; all are subordinate to the Central Saxon Trade Association, which acts as intermediary for the Chamber of Commerce. Eighty-seven percent of the producing factories and ninety-two percent of the commercial firms have been operating at a profit.

Mecklenburg:

In Mecklenburg the total number of factories is 3,142 (87,650 employees), of which 813 (29,500 employees) have been expropriated. The state government received 387 factories (6,000 employees).

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Thuringia:

The total number of factories is 3,682 (132,000 employees). 301 factories (28,000 employees), plus eighty "part-interest" enterprises (5,000 employees), are under the direction of the state government. The "part-interest" firms are those companies only part of whose stockholders have been dispossessed; they include 231 producing factories, twenty-three commercial firms, six railroads, twenty dismantled plants, 3 leased plants, three plants still held by the Russians, five which are not operating, and eleven enterprises which have been liquidated.

2. The SIA has ordered that the state-owned enterprises within the different states be merged into industrial groups as a preliminary step towards the establishment of co-operative associations. In the future the success of the entire group, not of the individual industry, will be evaluated. The following groups are planned: anthracite coal; bituminous coal; natural stone; foundries; non-ferrous metals; ore mining; machinery construction; metal goods; vehicle construction; electrotechnics; precision instruments; optics; chemistry; rubber and asbestos; glass; ceramics; furniture and wood; spinning-mills; weaving-mills, curtain, rug, and lace works (Posamenten); ready-made garments; leather, shoes, and luggage; leather; cellulose; cardboard and paper goods; musical instruments; breweries, food, and tobacco; building materials; household articles, merchandising houses; iron and steel.

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[redacted] which presents a break-down for state-owned enterprises, the following totals for employees are slightly at variance with their counterparts in this report: Saxony-Anhalt 53,700 (instead of 52,000 as listed above); Brandenburg 28,500 (instead of 27,000 as listed above).]

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